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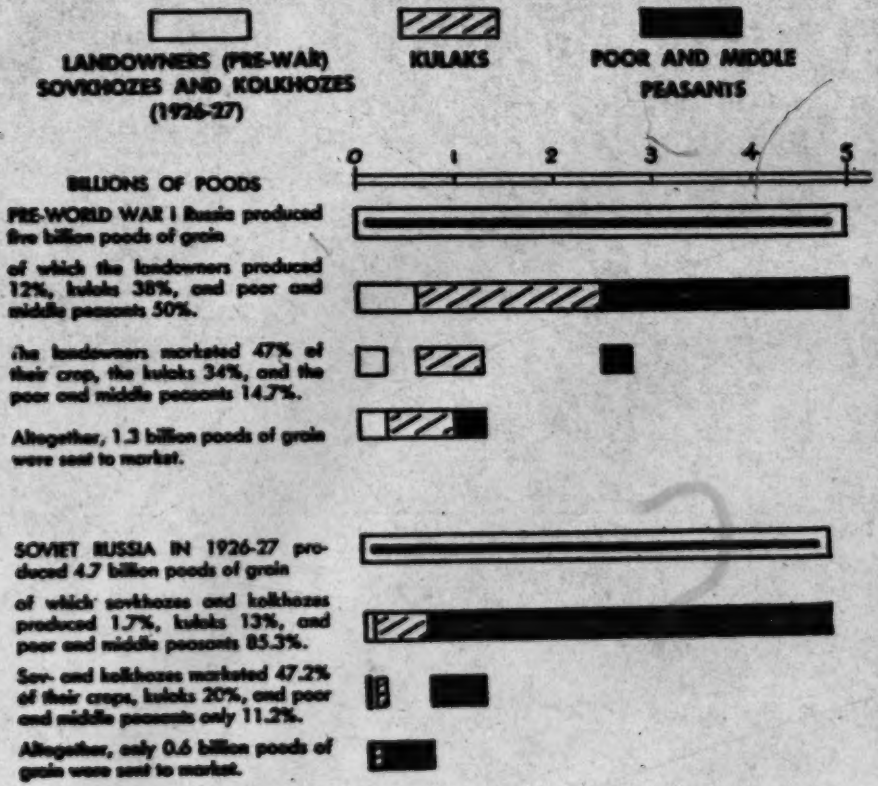
CHART I

241 GRAIN PRODUCED and MARKETED in SOVIET RUSSIA

Pre-World War I and 1926-27*


LANDOWNERS (PRE-WAR) SOVKHOZES AND KOLKHOZES (1926-27)
KULAKS
POOR AND MIDDLE PEASANTS
0
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BILLIONS OF POODS
PRE-WORLD WAR I Russia produced five billion poods of grain
of which the landowners produced 12%, kulaks 38%, and poor and middle peasants 50%.
The landowners marketed 47% of their crop, the kulaks 34%, and the poor and middle peasants 14.7%.
Altogether, 1.3 billion poods of grain were sent to market.
SOVIET RUSSIA IN 1926-27 produced 4.7 billion poods of grain
of which sovkhozes and kolkhozes produced 1.7%, kulaks 13%, and poor and middle peasants 85.3%.
Sov- and kolkhozes marketed 47.2% of their crops, kulaks 20%, and poor and middle peasants only 11.2%.
Altogether, only 0.6 billion poods of grain were sent to market.

* Stalin, *Problems of Leninism*, (Eng. ed. 1940.) p. 205.

p. 18

413 in 1928, but it was not until one year later, when Stalin called for
185 "liquidation of the kulaks as a class," that its full weight was felt. Since the actual number of kulaks in post-Revolutionary Russia was not very great, this slogan made it abundantly clear that the frankly military offensive was directed against the peasantry as a whole. The story is well known: the dispatch of Communist shock cadres to the villages, the mass deportations, the herding of peasants into hastily formed collective units, the calculated famine in the Ukraine, the wholesale slaughter of livestock by the desperate peasants, the brief pause ordered by Stalin early in 1930, the renewed offensive in 1931-32, the collapse of the opposition, and the final establishment of a collective farm system in all essential respects resembling that of today. There were many subsequent modifications of the system; but its basic features were firmly established in the "avalanche" of collectivization in the 1928-32 period.

In evaluating the success of the drive and the system it created, it is necessary to reiterate that the primary utility of the collective farm lay in its efficiency as an economic and political *control device*, by which rapid industrialization of the Soviet Union could be facilitated, and not in its efficiency of production. To the extent that it made industrialization possible, it is possible to show that Soviet collectivization "succeeded."

241 So far as production is concerned, the efficiency of the collec-
423 tive farm was, and remains, low. It has been estimated that Soviet grain production in 1939 did not exceed that of 1928 by much more than the increase of sown area over the 11 intervening years.[23] Similarly, the gross production value of Soviet agriculture in 1940 exceeded 1928 by only a small fraction, though in the bumper year of 1937 the harvest may have been as much as 14 per cent higher.[24] Throughout the 1930s the Soviets put forth many claims of increased agricultural productivity which were, however, discounted by most Western experts. Western scepticism was vindicated by the 1953 acknowledgement of agricultural deterioration by N. S. Khrushchev, one of the chief architects of later Soviet agricultural policy.[25]

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[23] Naum Jasny, *Socialized Agriculture of the U.S.S.R.* (Stanford, 1950), p. 548.
[24] *Ibid.*, p. 673.
[25] Jasny's figures, which are cited above, are somewhat lower than official Soviet boasts. He made allowance for statistical falsification involved in such Soviet practices as measuring production in accordance with the "biological yield," a misleading statistical device employed by the Soviets since the early thirties and condemned by Malenkov in his August 8th, 1953 address.

5; Free Europe Committee U-4 (no date) 1954 E1 Europe E1

TABLE 1

DIVISION OF AGRICULTURAL PRODUCT IN USSR BEFORE AND AFTER COLLECTIVIZATION †

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Year	Total Yield*	Obligatory Deliveries Million Centners	Obligatory Deliveries Percent of Total Crop	Retained by Farmers Million Centners	Retained by Farmers Percent of Total Crop**
1927/8	605.9	112.2	18.5	493.7	100
1932/3	570.1	185.2	32.5	384.9	77.9
1933/4	677.1	228.7	33.8	448.4	90.8
1934/5	669.5	226.6	33.8	442.9	89.7
1935/6	677.5	249.3	36.8	428.2	86.7
1936/7	612.5	260.0	42.4	353.5	71.4

† Prapkopovicz, S. N., *Russlands Volkswirtschaft unter den Sowjets*, (Zurich, 1944), pp. 136, 138.

* Net totals, after seeds deducted from the total yield.

** 100 equals total crop retained by farmer 1927/8. Figures for subsequent years show percentage 1927/8 total retained.

But whatever the failure of collectivization to achieve productive efficiency, and other ostensible goals widely advertised in the propaganda of the time,[26] the Soviet State remained completely loyal to the system, bolstering it by police action and developing its distinctive features over the years. Evidently, the regime considered that for its investment, it was receiving an adequate return. The explanation for this unswerving loyalty to the system, in the face of the massive difficulties encountered, is to be found in the striking change in the pattern of grain collection after collectivization (see Table 1). In 1928 the State collected no more than 18.5 per cent of the total grain crop, while in 1937 an estimated 42.4 per cent was Sta[illegible]-collected.[27] That this was a direct result of collectivization ...ay be seen in the fact that, from the start, the collectivized sector

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[26] For example, one of the regime claims was that collectivization wiped out the inequality between the rich kulak and the poor peasant. The hypocrisy of this claim was made evident in the agricultural order that replaced the old one. Thus Jasny writes: "The former *kulaki*, actually the more energetic, harder working peasants, are now replaced by the army of chairmen of the *kolkhozy*, tractor drivers, combine operators, and the like. These workers both number and earn more than the *kulaki* . . ." (Jasny, p. 75).

[27] Harry Schwartz (p. 313) gives the Figure 15 per cent for 1928 and 40 per cent for 1939.

241 produced more for the market per hectare of arable land than did
423 the private sector. In 1932, 60 per cent of all households in the
185 Soviet Union had been collectivized, embracing 66 per cent of the sown area. Yet the collective and State farms (*sovkhozy*) supplied 84 per cent of the marketed grain and 83 per cent of the cotton.[28]

241 With the reinforcement of the collective farm system the State
185 was in a position where it could force the peasants to serve as a
471 cushion for harvest shocks. In 1937, a bumper year, the peasants
423 received 35.9 per cent of the total grain crop for division among themselves; but in 1938-39, mediocre crop years, the peasants received only 26.9 and 22.9 per cent of the total, despite the fact that a smaller gross volume was to be shared.[29] In each case primary State needs governed the division of the agricultural yield. The Soviet Government had created an administrative apparatus which insured, in the words of one observer, that "if anyone was to starve, [the peasants] would be the first to do so."[30]

The function of the State farms in the Soviet system is similarly linked to the problem of agricultural deliveries. Though accounting for no more than 10 per cent of the arable area in 1937, the *sovkhozy* delivered 30 per cent of the milk, 25 per cent of the wool, and 24 per cent of the meat delivered to the State in that year. Whereas the grain producing collectives delivered only one-third of their total product to the State in the late thirties, the *sovkhozy* contributed three-quarters of their crop.[31] Hence, it may be said that, from the point of view of the Soviet planner, the State farms bore a superiority over the collective farms similar to the superiority of the collectives over the private farms.

471 The case for collectivization was aptly summed up by N. A.
423 Voznesensky when he revealed that the Soviet government in World War II collected three times the annual amount of grain collected by the Czarist regime during World War I when "72 per cent of all marketed grain was concentrated in the hands of estate owners and kulaks." This threefold increase in marketable surplus

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[28] Dobb, p. 249. There were, of course, other factors which accounted for the meagre quantity of goods placed on the market by the private sector, in particular, the amount of State discrimination against the private farms.
[29] Harry Schwartz, p. 265. Schwartz writes with regard to this question: "Only the government's complete domination of the peasantry through the collective farm system made this sharp change in the amount of grain collected possible." (p. 313).
[30] Leonard Hubbard, *The Economics of Soviet Agriculture* (London, 1939), p. 123.
[31] Harry Schwartz, p. 285.

Free Europe Committee U-4 (no date) 1954 El Europe El

423 the growing strength of the peasants and a further consolidation of a distinctly peasant culture with its special mores and traditions.[10]

Post-Reform Conditions

423 Despite the undoubted benefits which land reform brought to many formerly impoverished peasants, the agricultural economy of Eastern Europe remained largely stagnant in the inter-war period. The failure of the reforms to work a radical improvement in the standard of living and to raise total agricultural production may be attributed to the fact that the reforms themselves were primarily *political* rather than *economic* in intent. They were motivated very largely by the "green rising," the panic fear of Bolshevism (which seized power in Bela Kun's Hungary in 1919 and swept to the gates of Warsaw in 1920), the social upheaval of the First World War, and the new nationalism. In no case is there evidence that an overall increase of agricultural production was the primary goal. Like the vast revolution in the Russian countryside of 1917-18, the East European reforms were designed to "distribute wealth, rather than to produce it."[11]

In short, if the reforms narrowed the gap between rich and poor, they failed to create the lasting conditions of agricultural prosperity. Indeed, by reducing the area of the landed estates which traditionally produced large marketable surpluses, the reforms hindered urban-industrial growth and restricted cash exports.[12] As a consequence, the agricultural level of Eastern Europe remained far below that of the more advanced countries of Western Europe (see Table 2). Essentially the same picture emerges from computation of the annual per hectare yield of the East European countries (see Chart II).

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[10] *Agrarian Problems from the Baltic to the Aegean* (Royal Institute of International Affairs, London, 1944), p. 58.

[11] Wilbert E. Moore, *Economic Demography of Eastern and Southern Europe* (Geneva, 1945), p. 100. For a similar view, stressing the *political* rather than the *economic* motivation of the East European land reform, see David Mitrany, *The Land and the Peasant in Rumania* (Oxford, 1930), Chapter 10.

[12] Data on the relative efficiency of small and large-scale farming in Eastern Europe are scanty, but Seton-Watson concluded that it was generally true that "the smaller the holding, the lower the productivity of the soil." (Seton-Watson, p. 86). Similarly, Moore held that "the large holdings tend to yield a greater product per unit of capital by more nearly maximum utilization of work animals." (Moore, p. 101). But whether or not large-scale farming was more *efficient* than small-scale farming, there is no doubt that the large-scale farms produced a higher proportion of the *marketed* produce, although this factor varied from country to country and from region to region.

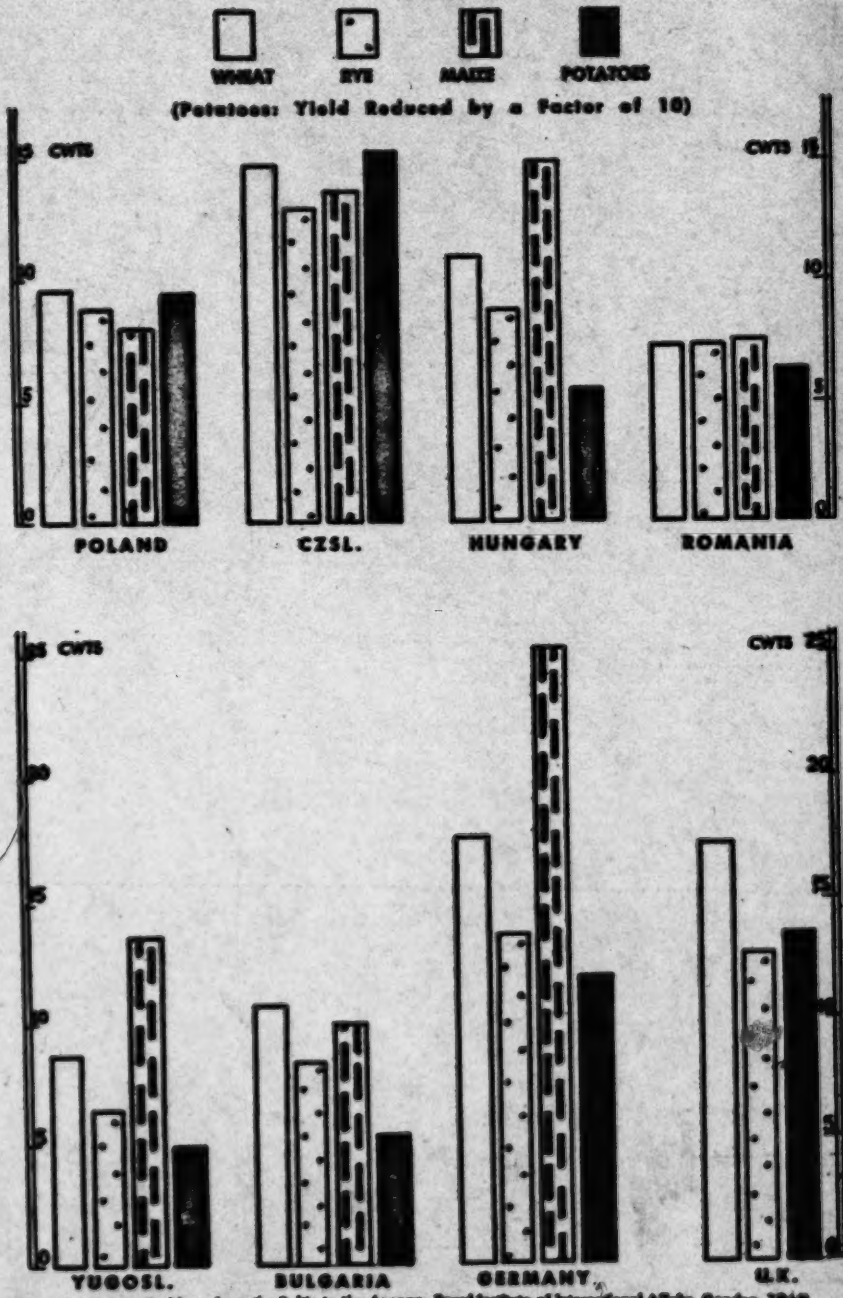
5₂ Free Europe Committee U-4 (no date) 1954 E1 Europe E1

CHART II

● 241

ANNUAL YIELD per ACRE, AVERAGE 1933-37*

IN CWTS



* Agrarian Problems from the Baltic to the Aegean, Royal Institute of International Affairs, London, 1944, p. 53.

p. 31

5; Free Europe Committee U-4 (no date) 1954 E1 Europe E1

TABLE 2

611 ANNUAL CONSUMPTION OF BASIC FOODSTUFFS IN PRE-WAR EASTERN EUROPE (in lbs.)

	Wheat & Rye	Maize	Potatoes	Sugar	Meat	Milk	Fats	Eggs (No.)
Poland	392	—	550	27	50	260	21	90
Czechoslovakia	275	25	260	47	68	220	40	160
Hungary	550	—	220	28	57	240	30	95
Romania	245	400	110	15	55	140	25	90
Yugoslavia	265	340	130	12	44	160	18	45
Bulgaria	440	—	85	12	45	150	19	80
Denmark	265	Nil	250	117	124	410	67	115

* *Agrarian Problems from the Baltic to the Aegean*, pp. 44.

241 311 The land, some of it rich, but most of it poor, was exploited in a backward fashion – in Bulgaria and Yugoslav Macedonia many of the peasants worked with a wooden plow not very different in design from one described by Virgil in the *Georgics* 19 hundred years before. The inevitable subdivision of the land among the peasant's sons made application of modern agricultural techniques virtually impossible, and the accumulation of sufficient capital to purchase such equipment out of question. In addition, growing rural over-population kept farm wages low, and made the use of modern machinery uneconomical from the peasants' point of view. [435] Above all, the peasantry was oppressed by the traditional "price scissors," or the disparity between the prices received for their crops on the urban market and prices paid for industrial products, a relationship which arose from the "small domestic market for agricultural products and the small supply of manufactured goods produced by domestic industry."[19]

But the trouble lay not merely in the backwardness of the peasant agricultural system. The political structure of the country, either conservative or semi-fascist, tended to favor urban groups. In the allotment of national resources such projects as peasant

[19] Moore, p. 89.

24/ 211 banks, agro-technical training schools, agricultural machine industries, and rural communications received only minor allocations. The backward condition of rural transportation made the task of competing with foreign grain -- especially American -- on the world market that much more difficult and the lack of facilities for the fertilizer production helped maintain the low yield.

The institutional organization of agriculture placed strong impediments to improved efficiency and increased productivity. Thus the small size of peasant holdings, frequently scattered in tiny plots, subdivided through inheritance, in debt to local banks, sometimes still held under tenancy arrangements, all combined to blight the hopes raised by the first post-war reforms.

The means and resources of the various national governments were usually devoted to furthering industrial development and the accumulation of capital for favored projects from which the peasants rarely benefited. While in some countries import duties on motor cars might be reduced, duties on agricultural machinery were gradually raised.[13] The blind pursuit of such policies by the inter-war governments inevitably deepened the rift between town and country, and intensified peasant suspicion of the central regimes. In some cases the response of the regimes to such suspicions was to convert themselves into semi-fascist governments, which were not dependent upon that minimum of popular support which their semi-parliamentary predecessors required for continued existence.[14]

3. *World War II and After*

423 If World War I set in motion the process of land reform, World War II brought that process to a close. No doubt the sudden emergence of the Communists as a major political force in the area expedited completion of the reforms begun in the 1920s, but

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[13] *Agrarian Problems from the Baltic to the Aegean*, p. 41-2. In Rumania prior to 1928 the government imposed export duties on agricultural products. These duties were revoked but the general disregard for the needs of the landed population remained. And while it is true that there were efforts on the part of East European governments to make some administrative services available to the peasants (such as the Hungarian Social Fund, the O.N.Cs.A.) they were halting and generally short-lived.

[14] The process of excluding peasant parties from any kind of representation in the governments "began with Hungary in 1919, continued with Bulgaria in 1923, with Poland in 1926, with Yugoslavia in 1929, and with Rumania in 1931" (Mitrany, p. 122). Only the Czechoslovak Agrarian Party was able to remain in power, and in Bulgaria the Agrarian Party returned briefly between 1930 and 1934.

CHART IV

DISTRIBUTION OF AGRICULTURAL HOLDINGS BY SIZE AND AREA IN EASTERN EUROPE – CIRCA 1930*

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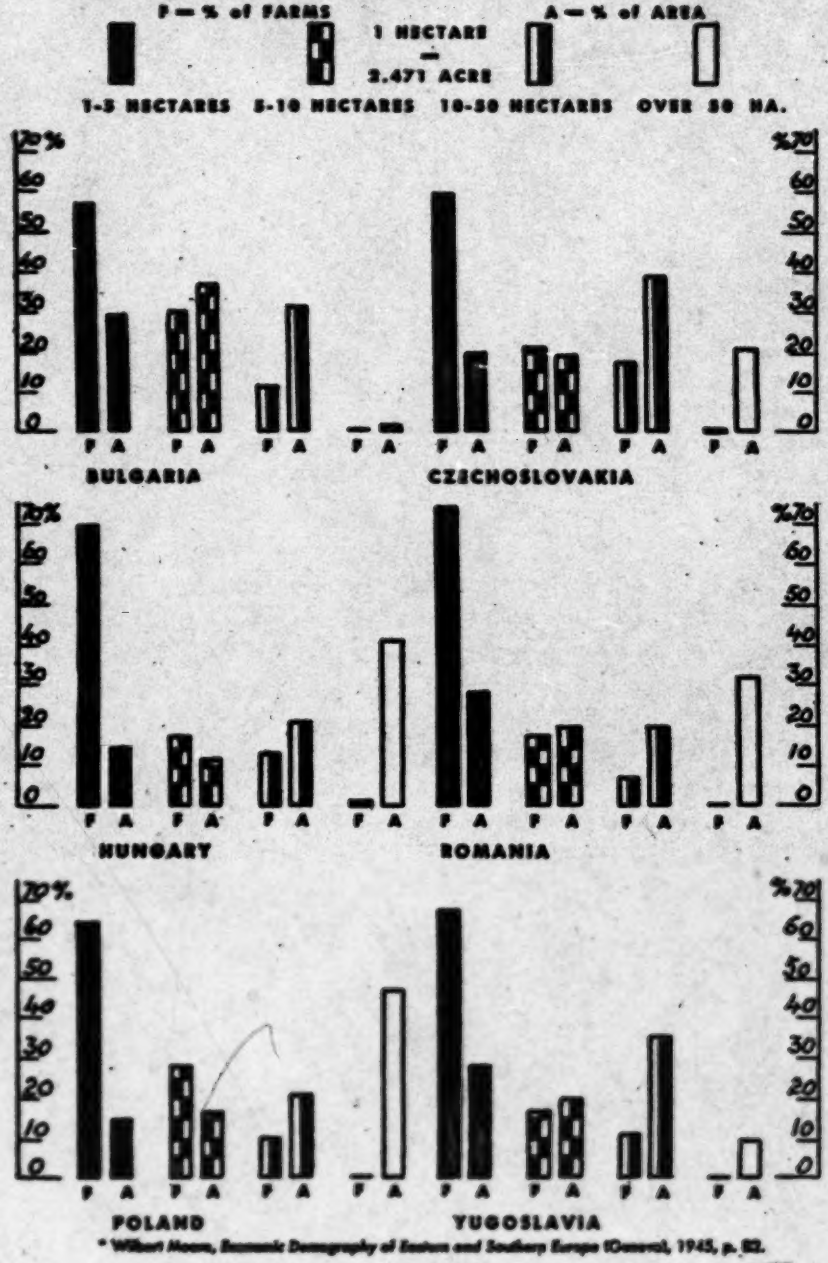

* Wilbert Moore, Economic Demography of Eastern and Southern Europe (Geneva), 1945, p. 82.

p. 35

423 existed for a considerable period before the new measures were introduced.[3]

To assess the results of collectivization in Eastern Europe it is necessary to apply the same measuring rod applied to the Soviet Union: to what degree did collectivization facilitate the task of increasing the State's share of the total agricultural product without a proportionate increase in agricultural investment?

This was, in fact, the exact criterion to which Boris Kidrič, the Yugoslav economic planner, was referring when he declared in 1947 that the "business of agriculture in a Socialist society is to supply the towns and industrial centers with food."[4] If, despite every other failure, collectivization has expedited this "supply," it has justified itself in Communist eyes.

311 423 As in the USSR, land reorganization in Eastern Europe has not resulted in an appreciable increase in East European farm productivity; in many instances, the reverse has been true. That the pre-war levels of agriculture have not yet been regained in Hungary is now freely admitted by Hungarian Communist spokesmen.[5] The Polish theoretician, Stefan Jedrychowski, in a revealing analysis of post-Stalin policies, acknowledged that "in Romania, as well as in Czechoslovakia, agricultural production as a whole has not yet reached the pre-war level, although, for example, it has in the case of cattle."[6] Polish Premier Bierut confessed that the situation in Poland was not very healthy compared to pre-war standards.[7]

● 241 Indeed, the conclusions of the United Nations Food and Agricultural Organization (FAO), issued in 1952 long before the New Course policies, and based upon many unofficial sources, seems generous in retrospect: "All countries in the region," the FAO report stated, "with the exception of Poland, were at, or only slightly below, the pre-war level of agricultural production, and for the

[3] It has been suggested by many that the New Course of 1953 was the consequence of a mounting, ever-deepening economic crisis. However, it is difficult to support such a thesis because, with the possible exception of Hungary, the economic problems which the Communists are now attacking with such vigor have existed for a long time. A more plausible hypothesis is that the political crisis caused by Stalin's death made intolerable the continuation of the vast economic disproportions which had hitherto been mastered.

[4] See above p. 46.

[5] Jozsef Reval, *Tarsadalmi Szemle* (Budapest), October-November, 1953. The crowning indictment of Hungarian agriculture was Reval's declaration that its livestock situation was "worse than it is in the USSR."

[6] Stefan Jedrychowski, *Nowe Drogi* (Warsaw), No. 10, 1953.

[7] Report of Premier Bierut to the 9th Plenum of the Central Committee of the Polish Workers Party, *Trybuna Ludu*, November 6, 1953.

region as a whole production may be tentatively estimated at about five to ten per cent less than before the war."[8] Since the population of the region has declined by about five per cent, the production per capita is probably at pre-war levels. However, because the proportion of total agricultural lands sown with industrial crops has increased, the produce left for food consumption has probably declined.

Some harvests were, of course, a great deal better than others; and it is easy to be misled by generalizing on the basis of one particularly good or bad year. Poland had a poor harvest in 1951; and Romania and Hungary suffered badly in 1952. The overall picture of Communist agricultural achievement compared to pre-war patterns is summarized in Table 19.

TABLE 19 *

PRODUCTION OF BASIC CROPS IN EASTERN EUROPE*

(in millions of metric tons)

Commodity	1934-1938	1950	1951
Wheat	14.0	12.8	14.6
Rye	11.8	11.1	11.4
Barley	5.7	4.4	4.9
Oats	6.9	5.1	5.4
Maize	12.2	9.0	12.3
Sugar	2.6	3.2	3.1
Potatoes	67.0	62.9	53.6
TOTAL (In equivalent units of wheat)	62.0	52.6	57.3

* *The State of Food and Agriculture: Review and Outlook*, Food and Agricultural Organization of the United Nations (Rome, 1952), p. 51.

[8] *The State of Food and Agriculture: Review and Outlook* (Food and Agricultural Organization of the United Nations), p. 51 (Rome, October, 1952). The exclusion of Poland may have been justified at the time the FAO report was written, since Polish economic development has been less distorted than in some of its Satellite neighbors. But in 1953 it became apparent that even in Poland agriculture was probably still close to pre-war levels.

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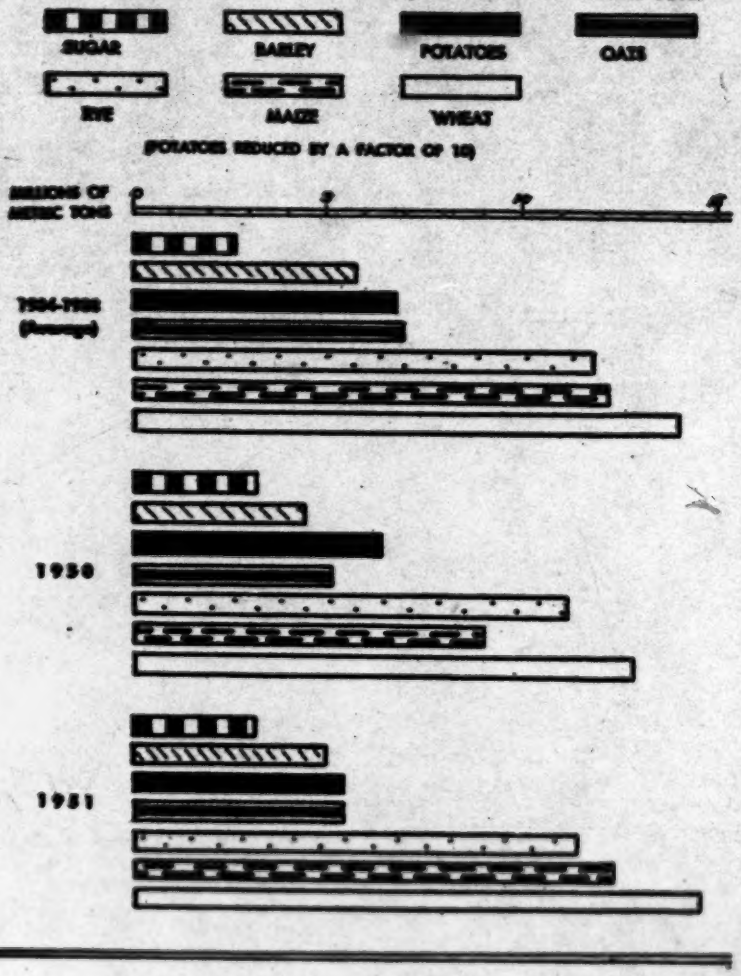
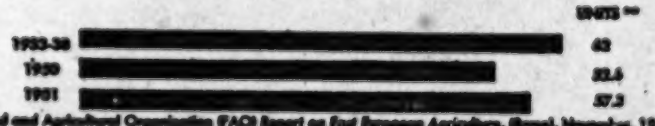
CHART XIII

CROP PRODUCTION in the SATELLITES*

(NOT INCLUDING THE BALTIC COUNTRIES) in MILLIONS of METRIC TONS



TOTAL WHEAT EQUIVALENT UNITS



* Food and Agricultural Organization FAO Report on *East European Agriculture*, Rome, November, 1952.

** The Wheat Equivalent Unit is determined by comparing the calorie value of a given quantity of wheat with the calorie value of the same quantity of another commodity. By the use of this unit it is possible to speak of the sum total of various grains in numerical terms.

p.86

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According to the FAO analysis, per capita consumption of food (measured in wheat equivalent units) declined from 371 kilograms per head in 1934-38 to 339 in 1950 and 335 in 1951.[9]

The momentous failure of East European agriculture cannot be attributed entirely to mistakes in Communist planning, unforeseen circumstances, bad weather, or an exaggerated idea of the efficacy of modern machinery or collectivization. The evidence makes it quite plain that, from the very start, the Communists were embarking upon an economic program which, by its very nature, precluded the possibility of a genuine increase in agricultural production. Considering the degree to which East European Communists modeled their program on Soviet experience, it is unlikely that they were under any illusions on this score. While it is true that in all modern countries, industrial development and investment have exceeded agricultural development,[10] the Communists were undoubt-

TABLE 20 *

PERCENTAGE OF PLANNED INVESTMENT IN AGRICULTURE IN EAST EUROPEAN ECONOMIC PLANS

Country	Period	Percentage to be Invested in Agriculture
Bulgaria	1947-48	6
	1949-53	18
Czechoslovakia	1947-48	7
	1949-53	8
Hungary	1947-49	9
	1950-54	17
Poland	1947-49	18
Romania	1949	9
Yugoslavia	1947-51	8

* *Economic Survey of Europe in 1948*, United Nations, (Geneva, 1949), p. 208.

[9] The Wheat Equivalent Unit is determined by comparing the caloric value of a given quantity of wheat with the caloric value of the same quantity of another commodity. The procedure makes possible the addition of various crops into one numerical total.

[10] In the non-Soviet world industrial growth invariably outpaces agricultural growth on a percentage basis. Industrial production in 1951 in non-Communist Europe was 45 per cent higher than in 1938 while agricultural production was only 10 per cent higher (*Economic Survey of Europe Since the War*, [Geneva], 1953, pp. 167, 239).

5; Free Europe Committee U-4 (no date) 1954 E1 Europe E1

edly conscious of the fact that the extraordinary rapidity of Soviet industrial growth in the thirties was achieved partly at the cost of a greater disparity between industrial and agricultural development than was characteristic of the major Western nations.

The extent to which the Communists were prepared to permit a lag in agricultural progress was indicated, first of all, by the small portion of national resources the Plans allocated to agriculture. As shown in Table 20, the planned investment in agriculture averaged around 10 per cent of the total investment schedule. In evaluating the figures in Table 20 it should be remembered that, with the exception of Czechoslovakia, the economies of Eastern Europe were primarily agricultural. Furthermore, in the period of the Plans, an increasingly large share of the land came under the control of the State, whose investment policy is here under scrutiny.

Another indication of the conscious purpose behind Communist agricultural neglect is to be found in the Plan targets set for farm commodities. As Table 21 indicates, the Plans provide for approximately four times as great an increase in the production of producer goods as of agricultural goods. And while a 50 per cent increase in agriculture is not negligible, it represents a goal the Communists, on the basis of Soviet experience, knew they could not possibly fulfill.[11]

TABLE 21

PLANNED FIVE YEAR PLAN PRODUCTION INCREASES
(Poland – Six Years)

Country	Producer Goods	Consumer Goods	Agriculture
	(Year preceding Plan = 100)		
Bulgaria (1948-53)	326	273	137
Czechoslovakia (1948-53)	230	170	153
Hungary (1950-54)	380	245	154
Poland (1950-56)	254	211	150

[11] The underfulfillment of agricultural and light industry targets in the USSR had become almost a tradition, and the East European Communists certainly were conscious of this heritage. They must have known, too, that the failure to fulfill the targets set for non-heavy industrial production did not stop the Soviet planners from setting targets far beyond possible attainment in the next plan (see Harry Schwartz, pp. 305-329). This adamant refusal to bring non-heavy industrial targets into the realm of reality was part of the dogma, firmly held up to Stalin's death, that the rapid expansion of heavy industry did not in any way deter the development of light industry, a dogma which was patently false, but one which for reasons of public safety, had to be upheld.

Free Europe Committee U-4 (no date) 1954 E1 Europe E1

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apparatus grows. When the introduction of the New Course in 1953 made agricultural improvement imperative, the seriousness of this bureaucratic delay and confusion became the subject of frequent attack by Communist orators, confirming the judgment of a prominent American student of Communist agricultural life who wrote:

> When you read . . . of the remarkable increase in the number of agronomists and other agricultural specialists and technicians in the Soviet Union, remember that many of them are not engaged, or do not spend much of their time, in research or extension or other technical work, but are trying to cope with the vast amount of bureaucratic paper work required by the Soviet system.[39]

The recurrent drives to "deflate the ranks of the farm bureaucracy" have not generally, according to this same expert, proved successful.

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An additional measure of the long-standing Communist reluctance to divert national resources to agricultural development is to be found in the relatively lethargic pace of farm mechanization. While it is true (see Table 23) that an increase in the mechanization of the "Socialist sector" did accompany collectivization, the increase was by no means as great as popularly pictured, and was not even as great, proportionally, as the increase which accompanied Soviet collectivization in the early thirties. Since one of the stock justifications of large-scale collectivized farming was, and remains, its alleged capacity to exploit modern farm machinery, the failure of the Communists to supply the farms with adequate machinery indicated the degree to which this Communist argument was a rationalization for a policy of exploitation.

Since the broad Russian plains are more adaptable to use of farm machinery, especially large tractors and combines, comparisons with Eastern Europe and its more broken terrain are not altogether apt. However, it should be noted that the Soviet Union provides a higher proportion of tractors to its farms than do the East European Communist regimes. As indicated in Table 23, there were approximately 107,500 tractors in service in Eastern Europe in 1952-53, compared with approximately 45,000 four years earlier. During the four years of collectivization, then, the tractor park in Eastern Europe was increased by only 62,500. In the USSR, on the other hand, over 100,000 tractors were produced in the year 1936 alone,[40] far fewer than was needed, but far greater proprotionately than in Eastern Europe.

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[39] Lazar Volin, "Russia's Agricultural Potential," *Foreign Agriculture*, October, 1953, p. 179.
[40] Harry Schwartz, p. 243.

TABLE 23

GROWTH OF TRACTOR PARK IN EASTERN EUROPE

Country	Number of MTS		(Tractors in 1,000's by Sector)					
			MTS		State Farms		Total	
	1948/49	1952/53	1948/49	1952/53	1948/49	1952/53	1948/49	1952/53
Czechoslovakia	800	258	5.0	—	5.0	—	10.0	25.0
Poland	30	376	0.2	15.0	14.3	20.0	14.5	35.0
Hungary	220	400*	3.0	18.5	—	1.5*	—	20.0*
Rumania	135	218	5.0*	9.6	3.5	4.4	8.5	15.0
Bulgaria	71	140	3.6	12.3	0.2	0.5	3.8	12.5

Sources:

C: 1949: J. Dolansky, *op. cit.*, 1952: J. Dolansky in *For a Lasting Peace*, July 8, 1953.

P: H. Minc: Le Plan Sexennal (The Six Year Plan), *Notes et Etud. Doc.*, No. 1877, Paris, 1950; tractors: MTS-1953, E. Putcnolkowski, in *For a Lasting Peace*, June 12, 1953. Stat. 1948: *Rocznik Stat.* (Statist. Year), p. 60. 1952 estimated.

H: 1949 in *Hungary Today*. 1952 estimated on the basis of planned figures.

R: 1948: *Probleme Economice* (Econ. Problems), No. 1, 1948. Gh.-Dej. in *For a Lasting Peace*, May 29, 1953.

B: Vulko Chervenkov in *For a Lasting Peace*, Sept. 11, 1953.

52

5: Free Europe Committee U-4 (no date) 1954 El Europe El

497
247

244 407 As in the USSR, mere numerical increase in farm machinery creates an exaggerated view of the increased efficiency achieved. Though the tractor emphasis of the Soviet planners of the early thirties was avoided in Eastern Europe, the capacity of farm machinery to solve agricultural problems continued to be overrated. The production record of those farms – many of them the vast State Farms in Czechoslovakia and Poland in which the available machinery was largely concentrated – barely exceeds that of the non-mechanized farms. The official press has frequently complained about the inefficiency of Machine and Tractor Stations and the personnel assigned to them, but these complaints reached a particularly high pitch when the New Course directed official attention to agriculture. "We could have . . . better results in the field of farm machinery," the Polish planner, Jacob Berman, complained at the Ninth Party Plenum in October 1953. "Is it normal," he asked, "that of 6,000 engineers in the Ministry of Machine Industry, only 72 work in factories for agricultural machinery?"[21] Other Communists have complained of the number of idle tractors, the rapid turnover of personnel in the MTS, and the long delays caused by lack of adequate repair facilities.

241 These oft-repeated complaints and the slow pace of agricultural development itself reinforce the impression that Communist claims of extensive mechanization of farms are exaggerated. In Poland, for instance, less than 10 per cent of farming is mechanized.[22] In Czechoslovakia, the most advanced country in the region, agricultural work was mechanized, according to Premier Siroky, up to 28 per cent in 1951 and 30 per cent in 1952. These figures hardly square with those given by Siroky for individual components of mechanized operation: plowing, 20 per cent; sowing, 13 per cent; and tending of crops, 0.08 per cent. Siroky himself expressed great dissatisfaction with the progress of farm mechanization:

> Especially here in Czechoslovakia we had all the prerequisites for ensuring that Socialist industry would effectively contribute to the development of agricultural production, both in the State farms and cooperatives, and in the private sector. However, the aid on the

[21] *Trybuna Ludu*, (Warsaw) November 6, 1953.

[22] At the end of the Six Year Plan (1956) 18.8 per cent of Polish agriculture is to be mechanized (*Nowe Drogi*, July-August, 1950, p. 212). This is to include 80,000 tractors. Since by the end of 1953 approximately 40,000 tractors were in operation, it can be assumed that approximately half of the projected 18.8 per cent mechanization had been achieved, although it is probably much less.

part of the State and Socialist industry was, and remains, inadequate.[23] 24

Judging by this statement, various claims of rapid mechanization advanced by other East European countries must be taken with great scepticism. For example, the Bulgarian regime claimed "overall mechanization" in agriculture of 34.7 per cent in 1952. Actually, the available figures on surface plowed with tractors in 1947-49 reveal that it was 5.1 per cent in 1947, 6.4 per cent in 1948, and 8.3 per cent in 1949.[24] A leap in three years' time to 34.7 per cent "*over-all* mechanization," considering the pace between 1947 and

TABLE 24

COMPARISON OF GROWTH OF COLLECTIVIZED SECTOR WITH DEVELOPMENT OF TRACTOR PARK IN MTS *
(In percent)

Country	Percentage Increase in Land Collectivized	Percentage Increase in Tractors in MTS (15 Hp. units)
Hungary (Summer 1951 - Summer 1953)	218	40.7
Bulgaria (April 1950 - December 1953)	319	67
Romania (April 1951 - Summer 1953)	144	32
Poland (December 1950 - December 1952)	91.5	126

*H: Zoltan Vas, *Szikra*, 1951, p. 15; *Gazdasagpolitikai Tajekoztato*, January, 1952; *Szabad Nep*, March 18, 1954.

B: *News from Behind the Iron Curtain* (Free Europe Press; New York), March, 1954, p. 17; *Agitator's Handbook* (Sofia), No. 36.

R: *News from Behind the Iron Curtain* (Free Europe Press: New York), March, 1954, p. 10; *Viata Sindicala* (Bucharest), August 19, 1951; *Scanteia* (Bucharest), July 4, 1953.

P: *News from Behind the Iron Curtain* (Free Europe Press: New York), February, 1953, p. 17; *Trybuna Ludu* (Warsaw), January 18, 1951, January 29, 1953.

[23] *For a Lasting Peace*, (Bucharest), September 18, 1953.
[24] *Bulgaria Nouvelle* (Sofia), No. 22 (89), December 24, 1949.

241 1949, is hardly feasible. Analysis of similar claims advanced in other captive countries reveals similar discrepancies and exaggerations.

There are two areas of agricultural production which require special comment. In one the Communists have achieved a very modest success; in the other their failure has been conspicuous. In both instances the results shed light on the general character of Communist agrarian policy, for the success was in industrial crops, the failure in livestock.

131 Livestock production—both dairy products and meat—is rightly regarded as one of the basic indices of agricultural prosperity and health. This is so because the cost, in terms of grain produce siphoned off for fodder, is usually high, and only an economy which has a sufficiently high productivity level can afford it. In other words, the caloric value of a given quantity of meat is far lower than that of the grain used in producing it. Only those countries producing a sufficient grain surplus can therefore consider expanding the livestock population. In pre-war Eastern Europe, the general practice was to export surplus grain. On the other hand, a more richly endowed land such as Denmark converted its surplus grain into dairy products before exporting it, and thereby further enriched itself. In Communist Eastern Europe, where grain produc-

TABLE 25

NUMBER OF CATTLE IN EASTERN EUROPE*

Country	1938	1953	Percent of Pre-War
	(millions of head)		
Czechoslovakia	4.4	4.3	98
Poland	9.9	7.4	75
Hungary	2.3	1.8	78
Romania	3.5	3.5	100
Bulgaria	1.5	—**	—**
Yugoslavia	4.3	4.8	112

* All countries except Romania: *Economic Survey of Europe Since the War*, (Geneva, 1953). Romania: Gh. Gh-Dej, in *For a Lasting Peace*, August 28, 1953.

** No figures for Bulgaria are available. However, Chervenkov, speaking December 16, 1953, admitted that livestock were still below pre-war levels.

tion had hardly reached pre-war levels by 1951, and the demands 231
of the urban population were rapidly increasing, the possibilities of increased livestock production were small. Indeed, the fodder supply was below the level necessary for maintaining *existing* livestock population. Therefore (see Table 25), the number of cattle in Eastern Europe had not, by 1952, quite achieved the pre-war levels.

But livestock failure is not recorded merely in terms of quantity, but in quality as well. Czechoslovak Premier Siroky furnished an interesting comment on this point:

> In the sphere of animal husbandry we must proceed from the fact that of late the head of cattle has increased without a corresponding extension of the fodder base. Consequently, the head of cattle has grown to the detriment of the quality of the stock and its productivity. Without a serious extension of the fodder base it will be impossible to ensure improvement of the productivity of the stock which, from the point of view of supplying the people with high-grade meat and other high-grade products of animal husbandry, is a most urgent matter.[35]

One of the chief causes of livestock deterioration is the reliance of 231
East European regimes upon the increasingly impoverished non- 471
collectivized sector for most livestock produce. As Table 26 makes clear, in each country the livestock in the socialist sector is proportionately less than the amount of land "socialized." Moreover, the major portion of the stock in the collectivized sector is not collective property, but belongs to the peasant households. In Poland, for example, 71 per cent of the cattle, 75.5 per cent of the sheep, and 75.8 per cent of the hogs in the collectivized land belongs to private household plots.[36]

Thus while the "Socialist sector" concentrates upon marketing 241
grain and industrial crops, the private sector and the collectivized households emphasize livestock products. However, as the private sector has been deprived of credits and resources with which to purchase fodder and other necessities, the quality of the livestock has inevitably deteriorated. In spite of the introduction of new "zootechnical methods" on certain model farms, most livestock con-

[35] *For a Lasting Peace*, September 18, 1953. Remarks of a very similar character cropped up in the August 22nd address of the Romanian Premier, Gheorghiu-Dej, and in the September 8th address of the Bulgarian Premier Chervenkov.
[36] *Ekonomista* (Warsaw), III, 1953, p. 48.

5; Free Europe Committee U-4 (no date) 1954 EI Europe E1

TABLE 27

AREA UNDER INDUSTRIAL CROPS 1949 - 1951/52*

(1000 hectares)

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	1949						1951/52					
	C	P	H	R	B	Y	C	P	H	R	B	Y
Cotton	–	–	37	60	–	42	–	–	40	150	–	16
Flax	28	109	22	–	–	14	–	–	–	–	–	10
Hemp	5	13	28	–	–	108	–	19	–	–	–	59
Sugar beets	194	250	113	62	31	89	219	275	115	81	32	100
Tobacco	6	14	22	9	30	35	–	20	–	–	–	37

* Data from unpublished manuscript of Dr. Nicholas Spulber (Massachusetts Institute of Technology).

program. The question with respect to Eastern Europe is whether collectivization has provided the same agricultural cushion as it did for the USSR. Specifically, does the collectivized sector in the Satellites provide the State with a higher proportion of the total produce marketed per hectare than the private sector? As was shown, the capacity of the Soviet collectivized sector to produce for the market was its very reason for existence.

The evidence available from Eastern Europe is too scattered and unreliable to justify the type of definite conclusion drawn from the Soviet materials.[38] However, on the basis of an examination of each country in Eastern Europe, some tentative conclusions can be reached.

Throughout the following comparison of the "Socialist" and private sectors, the variety of advantages which the "Socialist sector" enjoys should be kept in mind. First, on the whole the "Socialist sector" comprises better and more fertile land. It is composed of larger farms, capable of supporting more people. In particular, State Farms are frequently, though not always, located on the prosperous lands once belonging to nobles, aristocrats, or German landholders. Second, the "Socialist sector" has at its dis-

[38] The transformation of statistics from an objective science into an arm of State propaganda occurred in the USSR in 1930-31, but several years were necessary for the completion of the task. As a result, there is a great deal more information available concerning the first and second Five Year Plans in the USSR than concerning the Satellite economic developments after 1947. The Satellite Communists, after all, borrowed their techniques of falsification when they had been thoroughly developed in the USSR.

423 posal most of the available farm machinery, either confiscated or
656 purchased after the Second World War and also what has since been manufactured. In Poland in 1951, for example, the "Socialist sector," comprising some 17 per cent of the arable land, had at its disposal 98 per cent of the nation's tractor supply.[39] In Bulgaria in 1948 the "Socialist sector," then comprising only eight per cent of the arable land, already had at its disposal 81 per cent of the tractors and threshing machines.[40] Third, the "Socialist sector" received a high portion of the meager State credits extended to the farm population for constructing new buildings, purchasing fertilizers, seed, and fodder. And fourth, the "Socialist sector" generally received more favorable trade terms from government agencies, and benefited from official tax and delivery quota discrimination against the private sector. The agricultural structure of each country will be analyzed in terms of the above-stated criteria.

BULGARIA

● 241 As everywhere, pertinent information is sparse and only sug-
475 gestive. The State Farms, occupying 2.5 per cent of the arable land,
423 market 1.5 per cent of the nation's grain crop. The "Socialist sector," occupying 52.0 per cent of the arable land, markets 65 per cent of the grain; and the private farms, composing 45.5 per cent of the arable land, market 33.5 per cent of the grain crop.[41] In the light of the aforementioned advantages accruing to the "Socialist sector," and considering the fact that in Bulgaria the "Socialist sector" is concentrated in the fertile valleys (See Chart IX), this division is not altogether surprising. The proportion of marketed grain derived from the "Socialist sector" is greater than its arable land, and almost as much greater as that which the USSR achieved when approximately half of its arable land was collectivized.[42] It should be noted, however, that, as in the USSR, the modest success of the "Socialist sector" as a grain producer was achieved at the cost of neglecting animal husbandry, since a high percentage of the nation's livestock remained in the private sector. But if the "Socialist sector" neglected animal husbandry, it emphasized a few semi-

[39] *Wies w Liczbach* (Warsaw, 1951), p. 25.
[40] *Pari i Kredit* (Sofia), No. 2, 1948, p. 8.
[41] *Rabotnichesko Delo*, (Sofia) February 26, 1953.
[42] In the Soviet Union in 1932, 66 per cent of the arable land was in the "Socialist sector"; and it supplied 84 per cent of the marketed grain. (Maurice Dobb, *Soviet Economic Development Since 1917*, New York, 1948, p. 249).

5; Free Europe Committee U-4 (no date) 1954 E1 Europe E1

industrial crops. In 1953, 75 per cent of the nation's cotton and 84 per cent of its sugar beets were produced in the "Socialist sector."[43] 241 475 423

POLAND

Communist authorities in Poland have frequently asserted the superior productivity of the "Socialist sector" of agriculture. But since the claims so frequently contradict each other and contradict general claims concerning the productive capacity of the entire sector, they must be treated cautiously. For example, although the Communists have, at various times, claimed from 15 to 20 per cent greater yield per hectare for collective farms, they do not claim a higher proportionate yield for the sector as a whole.[44]

On the central question of the deliveries made by the two sectors, statistics are equally uncertain. In the year 1950, the Communists seemed confident of the superior capacity of the "Socialist sector" to market its grain. The statistics in Table 28 seem to bear out this confidence.

TABLE 28

PROPORTION OF GRAIN MARKETED IN POLAND IN 1950*

	WINTER WHEAT	SPRING WHEAT	RYE
Production Cooperatives	67.0	49.0	31.4
Private Farms	34.3	34.3	28.7

* *Wies w Liczbach* (Warsaw, 1952), p. 132.

And in 1951 the regime claimed that the "Socialist sector," comprising only 15 per cent of the land, accounted for 23.2 per cent of the marketed grain, while the private sector, comprising 85 per cent of the land, accounted for only 76.8 per cent of the marketed grain. According to these reports, both State Farms and collectives contributed far more than their proportionate share to the market.[45]

However, there is reason to doubt the validity of these statistics. The marketing report in 1953 shows the "Socialist sector" in a

[43] *Zemedelsko Zname* (Sofia), December 2, 1953.
[44] For example, according to *Wies w Liczbach* (1952), the productive cooperatives have an approximately 20 per cent higher yield than the individual holdings. But other regime statistics indicate that the total produce of the productive cooperatives is no greater – per hectare – than the individual holdings.
[45] *Wies w Liczbach* (1952).

Free Europe Committee U-4 (no date) 1954 E1 Europe E1

TABLE 29

PROPORTION OF GRAIN MARKETED IN POLAND BY SECTOR IN 1953*

Sector	Percent of Marketed Grain	Percent of Arable Land
State Farms	17.0	11.9
Production Cooperatives	6.5	6.5
Small Peasants	7.5	11.5
Middle Peasants	50.0	59.0
Kulaks	19.0	11.1
	100.0	100.0

* *Trybuna Ludu* (Warsaw), December 31, 1953.

much less flattering light (see Table 29). However, even in 1953 the "Socialist sector" contributed more than its share to the market, and thus economically justified itself. Holding 18.4 per cent of the arable land, the "Socialist sector" contributed 23.5 per cent of the marketed grain. It should be noted, however, that the superiority was confined solely to State Farms. The collective farms, which comprised six per cent of the countryside, marketed no more than six per cent of the total grain.

The important role the State Farms play is made clear in Table 30, where it is demonstrated that, despite the low productivity per hectare, the State Farms outdid others in marketed production.

TABLE 30

PRODUCTION AND MARKETING OF POLISH STATE FARMS 1949–1952*

	1949	1950	1951	1952 (Planned)
Percent of Total Production (in current prices)	5.4	6.1	7.5	9.6
Percent of Total Marketing	—	6.8	10.5	15.1

* *Wies w Liczbach*, (Warsaw, 1952), p. 116.

7:Gluckstein S-4 (no date)1952 El Europe El

CHAPTER III

SCARCITY OF CAPITAL

★

Problems of Agricultural Development

241 511 433 AN EXAMINATION of the economic situation of the countries of Eastern and South-Eastern Europe will make it obvious that no redistribution of the national income and wealth will by itself radically improve the condition of the people. For example, if the total agricultural land of the countries (and not, as has been the case, merely the large estates) were distributed equally among the peasants ('Black Distribution' in the phrase of the Russian revolutionaries under the Tsar), the main result would be the equalisation of poverty. As long as the majority of the people are engaged in agriculture and the producivity of labour in agriculture is as low as it is today, no real improvement of their condition is possible.

The level of output of agriculture per head of the agricultural population in Eastern Europe is very low, as can be illustrated by comparing it with other regions. It is, of course, difficult to compare the agricultural productivity of different countries, which produce various products in differing proportions. Fortunately Wilbert E. Moore has undertaken an important statistical work, attempting to fulfil this task for different European countries (op. cit.). He weighs the quantities of agricultural goods produced according to a uniform set of value rations which he calls the Crop Unit (C.U.). For the years 1931-5 on the average, the results were as follows (see top of page 45) (the index calculation has been made from Moore's absolute figures).

Although there are differences in the productivity of agriculture as between the different countries of Eastern Europe, there is a much greater *inequality* between Western Europe as a whole and Eastern Europe as a whole, the latter's productivity being 4-5 times lower than the former's.

7:Gluckstein S-4 (no date)1952 El Europe El

AGRICULTURAL PRODUCTION PER PERSON DEPENDENT ON AGRICULTURE AND PER MALE ENGAGED IN AGRICULTURE

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	Per Person Dependent on Agriculture		*Per Male Engaged in Agriculture*	
	Crop Units	*Index* Denmark = 100	*Crop Units*	*Index* Denmark = 100
Denmark	152	100	411	100
England and Wales	137	90	306	74
Netherlands ..	114	75	302	73
Switzerland	84	55	213	52
Belgium	95	62	230	56
France	75	49	204	50
Germany	84	55	244	59
Czechoslovakia ..	45	30	146	36
Hungary	33	22	96	23
Poland	21	14	72	17
Rumania	21	14	67	16
Bulgaria	20	13	70	17
Yugoslavia ..	17	11	55	13
Albania	10	7	32	8

(p. 35).

The large extent to which this is the *direct* result of the greater density of the agricultural population in Eastern than Western Europe becomes clear if the number of hectares of agricultural land per person dependent on agriculture in the different countries is compared. Taking the number in Denmark as 100, the comparative figures are:

Denmark	100	Czechoslovakia ..	54
England and Wales ..	112	Hungary	59
Netherlands	47	Poland	44
Switzerland	35	Rumania	46
Belgium	57	Bulgaria	20
France	108	Yugoslavia	37
Germany	71	Albania	22

It is clear that there is no exact correlation between countries arranged according to productivity per person dependent on agriculture and according to the quantity of agricultural land per person dependent on agriculture. But that there is a certain correlation can be seen by comparing the countries of Western Europe as a group and the countries of Eastern Europe as a group. In the first group there is twice as much agricultural land per person dependent on agriculture as in the second.

The great density of the agricultural population in Eastern Europe compared with Western Europe goes some way to explaining the low productivity per head of the agricultural population in the former compared with the latter. There is another factor that must be mentioned if the explanation is to be complete, namely, that the agricultural output per unit of

7:Gluckstein S-4 (no date)1952 El Europe El

241 511 433 area is much smaller in Eastern Europe than in Western Europe. This is shown clearly in the following table:

AGRICULTURAL PRODUCTION PER HECTARE OF AGRICULTURAL LAND

	Crop Units	Index		Crop Units	Index
Denmark	57	100	Czechoslovakia	31	54
England and Wales	46	81	Hungary ..	21	37
Netherlands ..	91	160	Bulgaria ..	19	33
Switzerland ..	89	156	Poland	18	32
Belgium	63	111	Rumania ..	17	30
France	26	46	Yugoslavia ..	17	30
Germany	44	79	Albania ..	17	30

If the agricultural population of Eastern Europe is to have the same quantity of agricultural products per head as in Western Europe, not only must half of them be removed, but the agricultural output must be doubled.

[134] The low productivity in Eastern Europe is not the result of infertility of the soil. On the contrary, the soil of Eastern Europe, and especially the excellent black soil of the Danube Plain, is on the whole much richer than the naturally poor soil of Western Europe. The low productivity is due to three main causes, the scarcity of livestock, the scanty use of fertilizers and the lack of agricultural implements and machinery.

231 241

LIVESTOCK DENSITY (1938)

	Cattle per 100 ha. Agricultural Area	Pigs per 100 ha. Arable Land
Czechoslovakia ..	59.1	65.3
Hungary	24.9	55.3
Poland	41.3	40.6
Rumania	23.5	23.5
Bulgaria	41.0	22.1
Yugoslavia	29.8	46.0
Germany	69.8	122.5
France	45.2	34.4
Denmark	103.1	106.1

(PEP—Political and Economic Planning-*Economic Development in S.E. Europe*, 1945, p. 34).

In this table the figures for the countries of Eastern Europe include a large number of oxen and buffaloes which are used mainly as draught animals. In the quality of its livestock Eastern Europe compares even more unfavourably with Western Europe than in the quantity.

407 241 On the question of agricultural implements and machinery, the PEP study states :

'The value of all agricultural equipment used per hectare of arable land was estimated by a Roumanian source at Lei 1,000

7:Gluckstein S-4 (no date)1952 El Europe El

(about £1) for Roumania, Lei 2,000 for Bulgaria, Lei 3,000 for Poland; as against Lei 15,000 for Germany and Lei 42,000 for Switzerland. So far as mechanical equipment is concerned, the disparity was even greater. According to a German source, taking the mechancial equipment per hectare of farm land (in terms of weight) as 100 for Germany, the figure for Bulgaria would be 14, for Yugoslavia 5, for Roumania 3.' (Ibid. p. 32).

A comparison of the extent to which fertilizers are used is equally unfavourable, as can be seen from the following table :

USE OF ARTIFICIAL FERTILIZERS, 1930-1940
(KILOS PER HECTARE OF ARABLE LAND)

	Nitrates	*Phosphates*	*Potash*
Czechoslovakia ..	4.4	8.9	5.0
Poland	1.1	2.3	1.4
Hungary	0.1	0.9	0.1
Yugoslavia ..	0.1	0.4	0.1
Roumania ..	0.08	0.06	0.01
Bulgaria	0.01	0.00	0.00
Germany	18.0	21.4	31.3
France	7.0	17.6	8.7
Denmark	10.7	24.1	7.9

(Ibid. p. 31)

There are a number of other factors which influence the welfare of the agricultural population. The Eastern European peasants suffered from the bad organisation of the marketing of their produce. Two examples will suffice. In Zürich 63 per cent of the retail price of milk went to the milk producer (the rest was divided between wholesale trade, retail and transport), and in Copenhagen 65 per cent; even in the United States where milk is delivered over very great distances the farmer got 46.8 per cent. As against this in Warsaw he got only 30 per cent, and in Belgrade 37.5 per cent (Ibid. pp. 94-5). The Survey of the Royal Institute of International Affairs, *World Agriculture* (1932), tells of a typical Rumanian barley farm, from which barley to the value of Lei 1,006 was sold. But the middlemen's profits and transport charges before the grain left Rumania amounted to Lei 1,202 (p.106).

The high prices of essential industrial goods further militated against the prosperity of the peasants.

The expensiveness of industrial compared with agricultural products in the period before the second world war is revealed by the following index figures of the variation of agricultural and industrial prices in Hungary (July figures):

7:Gluckstein S-4 (no date)1952 El Europe El

to supervise the labour power in the countryside, and, if the wages in the towns are not high enough to attract people from the countryside, they will be drawn there by the mechanisation of agriculture and the elimination of superfluous mouths in the 'collective farms'. Further, if capital construction is being undertaken, which demands very little skill and can be done by a large number of workers with very little or no machinery (for the bureaucracy likes to 'waste' as little of the expensive machinary needed for industrialisation and militarisation as possible) the 'collective farms' can provide an ample supply of this cheap labour from the 'kulaks,' i.e. all who dare to show any resistance to the bureaucracy. As yet it is scarcely possible to prove from experience that this will be the fate of agriculture in the satellites, because the process is only in its early stages. That this is the tendency, however, is clear enough, from the developments so far and from the history of agriculture in Russia since 1928.

The Example of 'Collectivisation' in Russia

The influence of the collectivisation of agriculture on the agricultural output in Russia is clear from the following table:

Year	*Sown Area*			*Gross Output of Grain*	*Cattle*
	Total	*Grain*	*Technical Crops*		
	million hectares			million centners	million heads
1928	113.0	92.2	8.6	733.2	70.5
1929	118.0	95.9	8.8	717.4	67.1
1930	127.2	101.8	10.5	835.4	53.9
1931	136.3	104.4	14.0	694.8	47.9
1932	134.4	99.7	14.9	698.7	40.7
1933	129.7	101.6	11.9	808.2	38.4
1934	131.4	104.7	10.7	804.6	42.4
1935	132.8	103.4	10.6	810.9	49.2
1936	133.8	102.4	10.8	744.6	56.7
1937	135.3	104.4	11.2	1,082.6	57.0
1938	136.9	102.4	11.0	854.9	63.2

(S. N. Prokopovicz, *Russlands Volkswirtschaft unter den Sowjets*, Zurich, 1944, p. 133).

This shows that, ten years after the drive towards 'collectivisation' began, the number of cattle was 10 per cent lower than before, while gross grain output was 16 per cent higher. The main reason for the rise was the cultivation of new steppe lands which required agricultural machinery. The total

7:Gluckstein S-4 (no date)1952 El Europe El

423 sown area rose by 21 per cent and the grain area by 11 per
474 cent.

● 241 That the productivity of labour in Russian agriculture, despite the mechanisation, was not higher in 1931-5 than in the countries of Eastern Europe is confirmed by the following calculation made by W. E. Moore:

AGRICULTURAL PRODUCTION PER PERSON DEPENDENT ON AGRICULTURE AND PER MALE ENGAGED IN AGRICULTURE, 1931-5 AVERAGE

	Per Person Dependent on Agriculture Crop Units	*Per Male Engaged in Agriculture* Crop Units
Czechoslovakia	45	146
Hungary	33	96
Poland	21	72
Rumania	21	67
Bulgaria	20	70
Yugoslavia	17	55
Albania	10	32
U.S.S.R.	17	53

(op. cit. p. 35)

Even if the improvement in Russian agricultural production after 1931-5 is taken into account, it is clear that her output per male engaged in agriculture was not more than that of Rumania, Bulgaria or Poland, and must have been far short of that of Hungary or Czechoslovakia.

Does this mean that the rulers of Russia failed to achieve what they aimed at by 'collectivisation'? This question can be answered by examining the proportion of the agricultural output taken by the state in the form of obligatory deliveries:

Year	*Total Yield*		*Obligatory Deliveries*			*Retained by Agriculturists after obligatory deliveries*	
			Quantity	*% of Total*	*% of Total*		
	gross	net*	million centners	gross	net	million centners	Index
1927/8	728.0	605.9	112.2	15.4	18.5	493.7	100
1932/3	698.7	570.1	185.2	26.5	32.5	384.9	77.9
1933/4	808.2	677.1	228.7	28.3	33.8	448.4	90.8
1934/5	804.6	669.5	226.6	28.1	33.8	442.9	89.7
1935/6	810.9	677.5	249.3	30.7	36.8	428.2	86.7
1936/7	744.6	612.5	260.0	34.9	42.4	352.5	71.4

*After deduction of seeds from gross yield.
(Prokopovicz, op. cit. pp. 136, 138).

From 1927/8 to 1936/7 these obligatory deliveries taken by the state from agriculture increased from 112.2 million centners to 260 million (i.e., by 131.8 per cent) and the proportion in the gross yield of agriculture which they represented from

7:Gluckstein S-4 (no date)1952 El Europe El

15.4 per cent to 34.9 per cent, and of the net yield from 18.5 per cent to 42.4 per cent. 423 474

The obligatory deliveries are virtually direct taxes, as the prices paid by the government for the products delivered is only a small percentage (not even 5 per cent) of the price which the government charges the consumer. 241

It is interesting to note that Lenin writes in his book, *The Agrarian Question in Russia at the End of the Nineteenth Century* (1908): 'The horseless and one-horse peasants (i.e., the very poor peasants—Y.G.) pay in the form of taxes *one-seventh and one-tenth* respectively of their *gross* expenditure. It is doubtful whether serf dues were as high as that . . . ' The agricultural toilers in the 'Socialist Fatherland' pay much more than that!* [651]

Collectivisation not only transformed into proletarians those who came into industry, but also those who remained in agriculture. The overwhelming majority of agriculturists are in reality, if not in theory, people who do not own any of the means of production: they are compelled to work an ever-increasing number of days on the kolkhozes for very low payment, below even that of the unskilled worker in the towns. The constant rise in the number of days that every household works in the kolkhoz compared with the quantity of grain per household remaining to it after the obligatory deliveries is shown in the following table : [461]

Year	*Average Number of 'Labour Days'† per Household*		*Grain Retained per Household after Obligatory Deliveries*	
	Number	*Index*	*Centners*	*Index*
1932 ..	257	100	15.8	100
1933 ..	315	122.5	19.3	122.1
1934 ..	354	133.4	20.1	127.2
1935 ..	378	147.1	20.5	129.7
1936 ..	393	152.8	17.3	109.5

†A 'Labour Day' is equivalent to the physical labour day of an unskilled kolkhoznik. The physical labour day of a skilled worker is equivalent to two, three or more 'Labour Days'.

(*Prokopowicz*, op. cit. pp. 136, 138, 164).

*Although the total quantity of products retained by the agriculturists in 1936/7 was lower than in 1927/8 (352.5 million centners and 493.7 million centners respectively) the quantity per household did not decline, and per capita of the agricultural population even rose. This happened because the number of households declined from 25.0 million in 1927/8 to 20.4 million in 1936/7, i.e., by 24 per cent, and the agricultural population decreased from 122.4 million to 78.6 million, i.e., a decline of 35.8 per cent. The fact that the per capita quantity of agricultural products retained by the peasants after making obligatory deliveries rose, does not mean that the conditions of the majority of agriculturists improved, because it was distributed more unevenly to the disadvantage of the masses. This cannot be dealt with here.

7:Gluckstein S-4 (no date)1952 El Europe El

To add to the difficulties of the poor agriculturists, not everyone has to give the same number of labour days. The higher strata of kolkhozniki give far fewer labour days than the poor kolkhozniki. The reward for their labours, however, is in inverse proportion to the time contributed.

There is less justification in calling the Russian agriculturists of today owners of the means of production than the serfs of the nineteenth century.

Miss D. Warriner in 1940 noted as regards the productivity of Russian agriculture: 'Russia both before and after collectivisation had a lower productivity than Eastern Europe . . . Russian collectivisation has not really achieved much increase in productivity through reforming the peasant system. Yields are still lower in Russia than in every part of Eastern Europe, cattle density is still much lower . . .' (*Eastern Europe after Hitler*, London, 1940, p. 4). In another place Miss Warriner writes: '. . . the physical output per man in corn is slightly higher in Russia than in the very poorest regions of Eastern Europe, and the value in terms of industrial products certainly lower'. (*Economics of Peasant Farming*, London, 1939, p. 188). As regards the standard of living of the Russian agriculturists in relation to those of Europe Miss Warriner says: 'As things are at present, on the basis of purchasing power, the Russian farmer is certainly not so well off as the peasants in Poland'. 'On the Russian farms meat consumption must be much lower than in Poland, and milk consumption must be lower also'. (Ibid. pp. 188, 189).* To gain a rough idea of what the standard of living of the Polish peasant was before the war, we quote the following passage: The Polish peasants' 'poverty was proverbial. It was said that during the depression the peasant would split a match four or five times, and would boil potatoes over and over again in the same water to save the salt . . . According to the Polish Minister of Finance the average cash income of the peasant in 1934-5 was eleven groszy (about one penny) a day . . .' (Henryk Frankel, *Poland, The Struggle for Power 1772-1939*, London, 1946, p. 134).

Miss Warriner's analysis, based on Soviet statistics, conforms

*It is regrettable that Miss Warriner in her new book *Revolution in Eastern Europe* (London, 1950) in the chapter 'Collective Farming' overlooks what she herself wrote on the question of collectivisation in Russia in *Economics of Peasant Farming* and also in *Eastern Europe After Hitler*.

7:Gluckstein S-4 (no date)1952 El Europe El

with the conclusion Victor Serge reached from his direct contact with Russian toilers: 'The vast majority of the peasants live more poorly than before the collectivisation, that is, on the whole, at a level lower than pre-war' (i.e., pre-World War I) (op. cit. p. 37).

The peasants did not gain anything out of the 'collectivisation', but that does not detract one iota from the success of 'collectivisation' from the standpoint of bureaucratic state capitalism.

Miss D. Warriner was quite right when she said of the results of 'collectivisation' in Russia: 'Apparently, then, most of the increase in output could have been achieved by extending the State farms in the sparsely settled and uncultivated regions, without collectivizing the peasant villages in the already settled parts; had there been no collectivization, then all the loss of capital through livestock slaughter would have been avoided and corn production in 1931 and 1932 would have been maintained'. (*Economics of Peasant Farming*, op. cit. p. 174). This is true. But then the state would not have got such a large part of the agricultural output for nothing!

The Satellites Follow in the Footsteps of Russia

Undoubtedly the circumstances in which the collectivization of agriculture is being and will be carried out in the satellites are to some extent different from those in which it was carried out in Russia. In part they will moderate its results, and in part will render them more severe. The moderating influence will be the lesson learnt from the experience of Russia, which will prevent the Communist Party from making similar mistakes in the satellites; namely, rushing through 'collectivisation' at a feverish pace, far outstripping the development of the necessary technical basis for large-scale farming, and then hastily retreating;* and secondly taking all the livestock—cows, sheep, poultry—away from the peasants and putting them into the kolkhozes, and then reversing their policy after half the livestock had already been slaughtered.

*In October, 1929, 4.1 per cent of all the peasants were included in kolkhozes. Five months later, on 10th March, 1930, 58.0 per cent were. There followed a hasty retreat, and in September of the same year only 21 per cent of the peasants were in kolkhozes. Only after this mismanagement did the tempo of collectivization begin to be less erratic, even though the compulsion to enter the kolkhozes remained very strict for the peasants.

8: Black S-4 (no date) 1954 El Europe El

5 Land Reform and Agricultural Improvement

LADISLAV FEIERABEND

I

Eastern Europe was overwhelmingly peasant between the two world wars. The peasantry, for whom land was not merely a means of production or of income, but the established basis of family life, formed the majority of the population. The main problem of this region was rural overpopulation. In the period before the First World War, the surplus young people emigrated in considerable numbers to the United States and to other overseas countries. After 1918 this outlet was closed, and everybody had to remain on his home soil. There was too little land for too many people: roughly twice as many people were living off the land as was the case in Western Europe.

Everybody wanted land and therefore the price was enormously high. After money was spent to buy the land, there was not enough left to buy the numbers of cattle that the holding could support or to improve farming techniques. Lack of capital was responsible for the fact that farming methods remained the same as they had been for fifty or more years. The yields were very low, and there was no possibility of increasing them. In fact, yields decreased be-

8: Black S-4 (no date) 1954 El Europe El

cause the land was becoming exhausted. This was due to a lack of manure and fertilizer and to the peasants' ignorance of land preservation techniques.

Labor remained so cheap that the introduction of labor-saving devices did not pay. Overpopulation meant that there were more people living on holdings than were needed for the farm work. This situation caused underemployment. Since overpopulation decreased the output per man and with it the earnings per man, a very low standard of living resulted.

The size of the farms, which on the average was barely ten acres, was a problem in itself, and the custom of dividing land after the death of a peasant made the situation even more acute. The holdings consisted of many small and scattered strips so that it was impossible for the peasant to use machines, even when they were available. However, the land reforms, carried out after the First World War by the different governments, did have some success in equalizing the amounts of land held by the different peasants.

The land reforms grew out of political and national considerations rather than out of social and economic policy. The first and main objective of the agrarian parties was to expropriate the big landowners and to transfer their land to the peasants. The usual procedure was to fix a maximum acreage, usually about five hundred acres, and to decree that all land in excess of this amount should be sold to peasants, either to create new farms or to add to the area of peasant farms already in existence. Under these reforms, about twenty-five million acres were distributed, for the most part in quite small plots, averaging one hectare, or 2.4 acres. The smaller farms were given more land than the large, so that there was some leveling of the incomes derived from farming.

These reforms did not remedy the unhappy condition of the peasantry, since they were unable to remove the main causes for distress. If all the agricultural land of this region

8: Black S-4 (no date) 1954 El Europe El

conditions. Credit was no real help unless the peasant had a reasonable expectation of being able to pay back what he had borrowed. In many cases this hope was negligible. A large proportion of the money which the peasants, particularly the small peasants, borrowed went to buy consumer goods. Thus, greater indebtedness did not point to a higher degree of investment, but to the extreme poverty of the small farm.

There was some state help for this situation, especially during the world-wide depression of the 1930's. In Bulgaria and Rumania agricultural debts were converted by government action. In 1934 some two hundred thousand Bulgarian peasants benefited by reductions in their debts and in the rate of interest and by a prolongation of the time allowed for settlement. In Rumania some two and one-half million peasants were assisted by similar legislation. Other measures, although not so far-reaching, were put into practice elsewhere in Eastern Europe to alleviate peasant indebtedness. But the credit problem was only mitigated, and not solved. The peasants' need for cash remained, and the lack of capital still prevented them from improving their farming techniques or increasing their earning capacity.

The governments promoted intensive cultivation of noncereals. Grain production was not appropriate to an overpopulated region, and a change to the production of livestock, livestock products, fruit, and vegetables was necessary. In Bulgaria and in some parts of Yugoslavia, intensive cultivation of garden crops, such as tobacco, tomatoes, wine, fruit, and roses was introduced. In Rumania, the cultivation of soya and other oil plants was introduced. These measures were, of course, just a beginning, and could not bring any substantial remedy.

Agriculture played the most important role of any single factor in all the Eastern European countries except Czechoslovakia. The largest part of the national incomes was de-

8: Black S-4 (no date) 1954 El Europe El

rived from agriculture. National prosperity was dependent on the outcome of harvests and on the possibility of agricultural exports.

In the interwar period, these countries were victims of the fluctuations of the world market and of the policy of autarky which resulted from them. The countries of Western Europe from 1930 to 1932 imposed high tariffs on food imports in order to ward off the effects of the international slump in agriculture. In doing so, they ruined the Eastern European peasant. Export of agricultural products from all Eastern European countries was reduced to a minimum and prevented these countries from balancing their trade. Thus, it was impossible for them to buy the industrial goods and manufactures on which they depended to maintain industrial employment and the standard of living of the peasants themselves.

This crisis further reduced the possibilities of export because the Eastern European states were unable to compete in prices with the overseas agricultural exporting countries that had technical aid at their disposal and because they could not afford the enormous sums necessary for subsidizing exports of agricultural products. Many attempts were made by agrarian conferences to alleviate the distress by asking a preferential tariff system for this region, which would have meant the almost complete abolition of the most-favored-nation clause in bilateral commercial agreements. Another remedy was seen in the creation of an interstate grain purchasing commission that would buy up the chief surpluses from the Eastern European countries and distribute them among the different European importing countries. These proposed methods arose from the primary need of Eastern Europe, which was to acquire some form of economic security in the world market in order to provide a stable basis for peasant society.

Everything was in vain. It was impossible to achieve

3: Black S-4 (no date) 1954 El Europe El

Russian *kulak*. The village rich are not allowed to enter a collective or are expelled if they become members. A merciless battle is being waged to ruin them. They are being liquidated as peasants, removed from villages, and sent to mines or to industry or concentration camps. There are roughly thirteen million peasant families in Eastern Europe, more than one million of which are *kulaks*. The children of all these families must lose the individualistic traits of their peasant heritage: that is the Communist aim.

Large-scale industrialization plans, for military purposes rather than for consumer production, are being pushed forward with great vigor in all Eastern European states and new labor is required in great numbers. *Kulaks* and other class enemies are an obvious source for this labor. By tapping this source, the surplus agricultural population will be disposed of and the people with individualist outlook gradually destroyed. If there is a shortage of workers in agriculture, as for instance in Czechoslovakia now, industrial workers already persuaded to the collective way of thinking can be utilized.

The term *kulak* has come to mean anyone who is against collectivization, and all *kulaks* are to be destroyed. The process of destruction is quickly changing the status of the agrarian population in this region. The agricultural population is decreasing and, according to estimate, does not amount today to more than 45 per cent of the total population. This decrease is the political consequence of collectivization and not its economic or social result. The collectivization policy itself cannot solve the old problem of rural overpopulation but can only aggravate it. The real aim of Communist collectivization is not to solve this problem but rather to destroy the peasantry.

Agriculture, like the other divisions of economic life, has been dictated by state plans which prescribe to the peasant what crops are to be grown and what animals are to be bred.

8: Black S-4 (no date) 1954 El Europe El

241 The peasants do not like regimentation and therefore the
185 Communist economic plans have not brought about any increase in agricultural production.

208 The collectivization policy has further aggravated the situation. The peasants hate even the word "collective." They go about their work with indifference or with fear and hatred. Their aversion to coercion, dictatorship, and controls, their attachment to their land, and their pride in independence, have neutralized all the advantages of large-scale production with its mechanization and its use of modern agricultural methods. The Communist belief that large-scale operation would bring about efficient agricultural production has not materialized.

262 Agricultural production is decreasing. Eastern Europe
433 used to be a very large exporter of all agricultural products,
241 but it is suffering from shortages today. Food is scarce in these agricultural countries. Before the Second World War, nine out of ten residents of Czechoslovakia were nourished by the produce of Czechoslovakian agriculture. There were no rations. Everybody could buy what he wanted, and the standard of living in Czechoslovakia was the highest in Eastern Europe. Today, according to official Communist pronouncements, every second man in Czechoslovakia, despite strict rationing, has to be supplied from abroad. Milk, butter, and eggs are not distributed to adults at all, and even sugar is in short supply. Czechoslovakia, once the largest exporter of beet sugar in Europe, today cannot provide its diminished population with sugar although it has nearly 15 per cent fewer inhabitants than before 1938 due to the expulsion of the Germans. Bulgaria and Hungary, which had great surpluses of all agricultural products before the last war, must now import foodstuffs for their starving populations. Agricultural production in Eastern Europe has not yet attained the prewar level, although the free farms of Western Europe have surpassed it considerably.

8: Black S-4 (no date) 1954 El Europe El

Because of this situation, the different peoples of this region turn three different masks to the world. One is always turned toward the West, one toward the East, and one is used for the stage show that these peoples put on for each other. If a nation of Eastern Europe takes off its mask, it may disappear from the stage forever. This is an important point to keep in mind in trying to understand the evolution of these countries.

Another important factor in the history of this region is that all the important ideologies and social revolutions have moved from West to East. Nationalism and the abolition of serfdom reached Eastern Europe in the nineteenth century. Industrialization advanced eastward at the end of the nineteenth century and during the first half of the twentieth. The closer a state was connected with the West, the sooner its transformation took place, while the other states were forced to develop in a comparatively short time in order to maintain their status as equals.

I

As a result of the Treaty of Versailles, everything changed in this area of constant change—boundaries, minorities, administrations, politics, and economics. In spite of these changes, and this is most important, the Eastern European countries remained predominantly agricultural.

The proportions of populations dependent upon agriculture in the several states within a decade after gaining full independence were as follows: Albania, 80 per cent; Bulgaria, 75 per cent; Rumania, 72 per cent; Yugoslavia, 76 per cent; Poland, 60 per cent; Hungary, 51 per cent; and Czechoslovakia 33 per cent. In contrast to these figures, the percentages of gainfully occupied males in industry in the same period were: Bulgaria, 13 per cent; Rumania, 11 per cent; Yugoslavia, 14 per cent; Poland, 22 per cent; Hungary, 26

8: Black S-4 (no date) 1954 El Europe El

178 per cent; and Czechoslovakia, 41 per cent. Thus it can be
162 easily seen that, with the exception of Czechoslovakia whose
241 industry was the most developed in the region, the countries of Eastern Europe were predominantly agricultural and peasant in nature. Yet despite the predominantly peasant character of these countries, the peasants as such had relatively little political influence.

178 Although there was an increase in the output of agricul-
241 tural goods in all these countries between 1918 and 1945,
511 the competition offered by overseas cereals strongly affected the agriculture of Eastern Europe. Cereals, one of the major products of the region, had to be undersold to Germany. Added to this unfortunate situation, the world depression of 1929 came as a terrible blow to the economy of Eastern Europe, the most disastrous years lasting from 1931 until 1934. Industry, with its frequent cartels, was better able to defend itself than was agriculture, and thus the "price scissors," or the disparity between agricultural and industrial prices, cut mostly into the income of the agricultural population. This resulted in a general lowering of both the purchasing power and the standard of living. Loans at high rates of interest were frequent and taxation increased the poverty of the peasants. These, as the major element of the population, pressed heavily for reforms and spread malcontent in their respective countries.

185 Soon after the First World War, some states realized that
167 the solution to this situation was industrialization. Emigra-
433 tion, as a possible solution, was not favored in any of the Eastern European states as it would have decreased manpower. Since war was considered more or less imminent after 1933, military and industrial groups were especially opposed to any large-scale loss of population, although emigration was never prohibited by actual government order.

185 Bohemia, which had been in a highly advantageous posi-
433 tion in the industrialization program of Austria before the

8: Black S-4 (no date) 1954 El Europe El

642 have been made to the peasants, state cooperatives are still maintained in the heavy grain producing areas by forces other than the peasants' love of the soil and its products.

If the Yugoslav government will learn the meaning of Lord Acton's axiom on the nature of power, and if the West pursues an intelligent, long-range foreign policy supporting Yugoslavia against Soviet aggression, it may be possible to revive in Yugoslavia and hence in the Balkans as a whole the elements of an independent political life.

V

000 The months following the death of Premier Stalin in March 1953, saw a number of internal changes in the various people's democracies. The principal means of coercion and political control nevertheless remained unchanged: the army and the police forces. These were still bound tightly to Russian controls.

177, 70 701 625 The total number of men in the satellite armies available for service with the Soviet army has been estimated at a million and one-half. Since they are not only trained under Soviet commanders, but operate under the Soviet military code, it is possible to state that the Sovietization of the satellite armies has been completed. Together with the armies, the satellite police form the backbone of the Soviet instruments of coercion. Estimated at a total of 700,000 men, police units organized in military formations range in function from the well-known secret police to People's Militia, Frontier Guards, and Railway Guards. Like the satellite armies, the satellite police are governed by Soviet regulations. Together they enforce a system of order which has been designed to conform with the Soviet model.

241 656 In common with Yugoslavia, certain states in the orbit are strengthening the weakest sector of the economy: agriculture. It is not certain that the Yugoslav experience compelled the

8: Black S-4 (no date) 1954 El Europe El

changes in agricultural policy in the people's democracies. The only causal factor common to both areas is a very practical one: agricultural production has not been in a position to supply the needs of the growing industrial population. The socialist objective of complete nationalization of agriculture has nevertheless not been retracted or withdrawn. On the contrary, the satellites are acting within the orthodox pattern of Soviet experience.

In the economic sphere, the orbit is passing through a period comparable to the Russian New Economic Policy. In the words of Stalin this is a "special policy of the proletarian state counting on the tolerations of capitalist elements, the commanding heights being in the hands of the proletarian state. . . .", in short a policy which aims "at overcoming capitalist elements and building a socialist economy by the method of a direct exchange of products. . . ." As if the Soviet experience itself did not suffice as a guide, there is the advice of Stalin on the proper agricultural policy required to prepare the transition to communism: continued development of the country's industrial resources, the gradual adjustment of collective farming to the nationalized sector of the economy, and the raising of the standards of living and culture. All these the satellite states are in the process of attempting to accomplish. There may be compromises in the short run, but there will be no compromise regarding the ultimate objective—the complete socialization of agriculture.

Changes in agricultural policy are particularly marked in those countries which have been heretofore heavily agricultural: Yugoslavia, Hungary, Albania, and Bulgaria. The restiveness of the population arising from the social and economic consequences of enforced industrialization made these changes necessary. The changes are short-run changes. While budgets for agricultural development will be increased, prices lowered for industrial goods and increased for farm products, establishment of producer cooperatives delayed,